

LINDA LINGLE
GOVERNOR



STATE OF HAWAII
PUBLIC UTILITIES COMMISSION
DEPARTMENT OF BUDGET AND FINANCE
465 S. KING STREET, #103
HONOLULU, HAWAII 96813

CARLITO P. CALIBOSO
CHAIRMAN

WAYNE H. KIMURA
COMMISSIONER

JANET E. KAWELO
COMMISSIONER

August 30, 2004

Mr. Gerald H. Yuh
Business Manager and
Financial Secretary
International Brotherhood of
Electrical Workers, Local Union No. 1186
1935 Hau Street, Room No. 401
Honolulu, Hawaii 96819

Dear Mr. Yuh:

Re: Docket No. 04-0140 -- Paradise Mergersub, Inc.; GTE Corporation; Verizon Hawaii Inc.; Bell Atlantic Communications, Inc.; and Verizon Select Services Inc. for Approval of a Merger Transaction and Related Matters.

This is in response to your letter dated July 8, 2004, setting forth your views and concerns with regards to the above-referenced Public Utilities Commission ("Commission") docket ("Letter"). Primarily, you requested that the Commission conduct public hearings on the matters of this docket.¹

While the Commission has normally not held public hearings regarding these types of dockets, on August 6, 2004, the Commission in Order No. 21226 established a Public Comment Period to give all interested individuals an opportunity to voice their comments and concerns with regards to this docket.

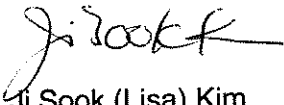
¹Paradise MergerSub, Inc.; GTE Corporation; Verizon Hawaii Inc. ("Verizon Hawaii"); Bell Atlantic Communications, Inc.; and Verizon Select Services Inc. (collectively referred to as "Applicants") jointly filed for Commission approval of the proposed transfer of control of Verizon Hawaii and certain other assets and the financing obligations associated with the transfer under specific state laws and Commission rules. These statutes and Commission rules do not require or contemplate that a public hearing be held with regards to these types of matters—i.e., transactional dockets.

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Moreover, on August 16, 2004, the Commission in Order No. 21304 informed the parties and participants² to this docket that the Commission will hold public hearings regarding the matters of this proceeding. In this order, the Commission determined that public hearings should also be used as a method to obtain public comments due to the great public interest generated on this matter. Public hearing dates, times, and location will be established by notice of public hearings to be issued shortly.³

By copy of this letter, we are forwarding your Letter to the Applicants and all other parties and participants to this docket for their records. Thus, your views and concerns will be made aware to the parties and participants to this proceeding.

Sincerely,



Ji Sook (Lisa) Kim
Commission Counsel

JSK:eh

c: Consumer Advocate (w/encl.)
William E. Kennard (w/encl.)
Joel K. Matsunaga (w/encl.)
Alan M. Oshima, Esq., (w/encl.)
Michael H. Lau, Esq.
Kent D. Morihara, Esq.
Leslie Alan Ueoka, Esq. (w/encl.)
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Stephen S. Melnikoff, Esq. (w/encl.)
Herbert R. Takahashi, Esq., (w/encl.)
Stanford H. Masui, Esq.,
Danny J. Vasconcellos, Esq.
Rebecca L. Covert, Esq.
J. Douglas Ing, Esq. (w/encl.)
Pamela J. Larson, Esq.
Laura A. Mayhook, Esq. (w/encl.)
J. Jeffrey Mayhook, Esq.

²The parties and participants to this proceeding are Applicants; the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs ("Consumer Advocate"); the United States Department of Defense and All Other Federal Executive Agencies; Pacific LightNet, Inc.; Time Warner Telecom of Hawaii, L.P., dba Oceanic Communications; Jeremiah C. Genovia; Charles K. Hekeia Jr.; and the International Brotherhood of Electrical Workers, Local 1357.

³Order Nos. 21226 and 21304 can be viewed on the Commission's website at <http://www.state.hi.us/budget/puc/puc.htm> along with other matters of this docket.



International Brotherhood of Electrical Workers
LOCAL UNION NO. 1186 • Affiliated with AFL-CIO

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July 8, 2004

FILED
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PUBLIC UTILITIES
COMMISSION

Mr. Carlito Caliboso, Chairperson
Public Utilities Commission
465 S King St #103
Honolulu HI 96813

Dear Mr. Caliboso:

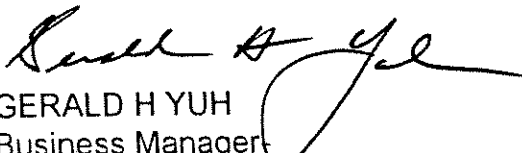
RE: SALE OF VERIZON HAWAII

IBEW Local Union 1186 has heard that Verizon Hawaii may be sold to the Carlyle Group, a private equity investment firm known to buy companies only to turn around to sell them for a profit.

Because this sale is of vital interest to the people of Hawaii, we request that public hearings be held by the PUC to ensure that all parties be given an opportunity to voice their concerns. A written assurance by the Carlyle Group with regard to job security of Verizon's current employees would be appreciated.

Thank you for this opportunity to let our concerns be known. It is our hope that any sale of Verizon Hawaii will essentially benefit not only its employees but also the people of Hawaii.

Very truly yours,


GERALD H YUH
Business Manager
Financial Secretary